State of New Hampshire

Board of Tax and Land Appeals

Michele E. LeBrun, Chair
Albert F. Shamash, Esq., Member
Theresa M. Walker, Member
- - - - - - - - - - - - -
Anne M. Stelmach, Clerk

Governor Hugh J. Gallen
State Office Park
Johnson Hall
107 Pleasant Street
Concord, New Hampshire
03301-3834

In Re:

Public Service Company of New Hampshire

(See Attached Case List)

DECISION

The board held a consolidated hearing (over the span of eight days[1]) regarding individual tax abatement appeals on the "Property" owned by the "Taxpayer"[2] located in 31 "municipalities" (for tax year 2011) and 55 municipalities (for tax year 2012).[3] In these 86 appeals, the parties stipulated to the total assessment and level of assessment (median equalization ratio) in each municipality in each tax year, as summarized in the following two charts:

[1] The hearing was held on February 10-12, 19-20 and 23-25, 2015, after the board completed a consolidated hearing of 23 tax year 2011 and 2012 abatement appeals involving another electric utility, New Hampshire Electric Coop, Inc. (hereinafter, the "NHEC Appeals"). The parties agreed the board could take judicial notice of relevant testimony and other evidence common to both sets of appeals.

[2] Sometimes referred to in the record as "PSNH," a wholly owned subsidiary of Northeast Utilities, now doing business as "Eversource Energy."

[3] Prior to the consolidated hearing the Taxpayer, on January 15, 2015, withdrew one appeal filed for tax year 2010: PSNH v. Town of Dalton, BTLA Docket No. 25689-10PT. The Taxpayer notified the board of tax abatement appeals filed in other tribunals involving two other municipalities: Newington (in Rockingham County Superior Court) and Bow (in Merrimack County Superior Court).

2011				
Municipality	**Docket No.**	**Total Assessment**	**Median Equalization Ratio**	**Indicated Market Value**
Andover	26246-11PT	$ 1,658,000	107.3%	$ 1,545,200
Bath	26256-11PT	$ 3,369,800	97.5%	$ 3,456,205
Bristol	26253-11PT	$ 14,791,800	98.7%	$ 14,986,626
Dalton	26252-11PT	$ 3,704,704	112.6%	$ 3,290,146
Durham	26251-11PT	$ 9,236,148	104.2%	$ 8,863,866
Francestown	26255-11PT	$ 3,168,100	101.6%	$ 3,118,209
Hampstead	26254-11PT	$ 8,496,700	105.7%	$ 8,038,505
Henniker	26243-11PT	$ 10,279,500	106.6%	$ 9,643,058
Hinsdale	26242-11PT	$ 18,476,200	115.4%	$ 16,010,572
Hopkinton	26241-11PT	$ 9,072,100	106.1%	$ 8,550,518
Lancaster	26427-11PT	$ 7,386,150	127.3%	$ 5,802,160
Landaff	26250-11PT	$ 944,400	101.2%	$ 933,202
Lincoln	26249-11PT	$ 305,200	96.4%	$ 316,598
Madison	26248-11PT	$ 9,016,700	103.9%	$ 8,678,248
Marlborough	26247-11PT	$ 3,600,700	96.9%	$ 3,715,893
Nelson	26228-11PT	$ 2,405,200	96.6%	$ 2,489,855
New Hampton	26227-11PT	$ 23,614,250	111.5%	$ 21,178,700
New Ipswich	26245-11PT	$ 8,909,200	112.5%	$ 7,919,289
Newport	26244-11PT	$ 10,614,400	109.3%	$ 9,711,253
Pelham	26240-11PT	$ 929,900	97.6%	$ 952,766
Pembroke	26239-11PT	$ 11,749,000	109.8%	$ 10,700,364
Randolph	26238-11PT	$ 1,418,200	111.0%	$ 1,277,658
Sandwich	26237-11PT	$ 2,726,300	103.1%	$ 2,644,326
South Hampton	26236-11PT	$ 1,231,000	124.9%	$ 985,588
Springfield	26235-11PT	$ 3,422,000	106.5%	$ 3,213,146
Stoddard	26234-11PT	$ 5,508,170	101.8%	$ 5,410,776
Sunapee	26233-11PT	$ 7,795,700	96.5%	$ 8,078,446
Unity	26232-11PT	$ 1,041,590	100.0%	$ 1,041,590
Warner	26231-11PT	$ 5,439,780	99.1%	$ 5,489,183
Whitefield	26230-11PT	$ 12,932,100	126.7%	$ 10,206,867
Wilmot	26229-11PT	$ 606,700	100.4%	$ 604,283
Totals (Rounded)		$ 203,849,700		$ 188,853,100

2012				
Municipality	**Docket No.**	**Total Assessment**	**Median Equalization Ratio**	**Indicated Market Value**
Andover	26790-12PT	$ 1,669,000	107.3%	$ 1,555,452
Antrim	26791-12PT	$ 8,216,400	113.5%	$ 7,239,119
Bath	26792-12PT	$ 3,369,800	101.5%	$ 3,320,000
Bennington	26793-12PT	$ 2,499,600	109.6%	$ 2,280,657
Bradford	26795-12PT	$ 4,127,500	104.5%	$ 3,949,761
Bridgewater	26797-12PT	$ 2,265,300	104.6%	$ 2,165,679
Bristol	26799-12PT	$ 14,808,500	97.9%	$ 15,126,149
Chester	26801-12PT	$ 18,061,900	104.3%	$ 17,317,258
Croydon	26805-12PT	$ 1,702,000	102.3%	$ 1,663,734
Dalton	26794-12PT	$ 3,704,704	121.4%	$ 3,051,651
Danville	26796-12PT	$ 2,359,200	104.4%	$ 2,259,770
Dunbarton	26798-12PT	$ 5,949,900	110.6%	$ 5,379,656
Durham	26800-12PT	$ 9,236,148	104.0%	$ 8,880,912
East Kingston	26802-12PT	$ 726,200	109.3%	$ 664,410
Francestown	26806-12PT	$ 3,020,100	115.0%	$ 2,626,174
Fremont	26808-12PT	$ 5,372,600	108.7%	$ 4,942,594
Gorham	26811-12PT	$ 12,235,500	94.2%	$ 12,988,854
Greenville	26813-12PT	$ 4,440,400	150.8%	$ 2,944,562
Hampstead	26815-12PT	$ 8,983,500	109.3%	$ 8,219,122
Haverhill	26817-12PT	$ 4,619,400	100.7%	$ 4,587,289
Henniker	26819-12PT	$ 9,967,000	108.7%	$ 9,169,273
Hinsdale	26820-12PT	$ 18,772,700	100.6%	$ 18,660,736
Hollis	26821-12PT	$ 14,237,700	103.9%	$ 13,703,272
Hopkinton	26807-12PT	$ 9,072,100	116.2%	$ 7,807,315
Lancaster	26809-12PT	$ 7,386,150	129.6%	$ 5,699,190
Landaff	26810-12PT	$ 944,400	106.9%	$ 883,442
Lincoln	26812-12PT	$ 305,200	97.7%	$ 312,385
Littleton	26814-12PT	$ 23,785,100	108.6%	$ 21,901,565
Madison	26816-12PT	$ 9,016,700	101.2%	$ 8,909,783
Marlborough	26818-12PT	$ 3,600,700	108.7%	$ 3,312,511
Milan	26823-12PT	$ 3,462,600	100.5%	$ 3,445,373
Nelson	26825-12PT	$ 2,405,200	98.7%	$ 2,436,879
New Hampton	26828-12PT	$ 22,984,550	117.6%	$ 19,544,685
New Ipswich	26830-12PT	$ 8,909,200	125.7%	$ 7,087,669
Newport	26832-12PT	$ 9,332,500	101.8%	$ 9,167,485

2012 (Continued)				
Municipality	**Docket No.**	**Total Assessment**	**Median Equalization Ratio**	**Indicated Market Value**
Northfield	26834-12PT	$ 4,128,300	97.3%	$ 4,242,857
Pelham	26822-12PT	$ 929,900	102.0%	$ 911,667
Pembroke	26824-12PT	$ 12,053,800	107.5%	$ 11,212,837
Plymouth	26826-12PT	$ 587,500	113.9%	$ 515,803
Randolph	26827-12PT	$ 1,418,200	106.2%	$ 1,335,405
Raymond	26829-12PT	$ 11,645,900	105.4%	$ 11,049,241
Sandwich	26831-12PT	$ 2,726,300	103.7%	$ 2,629,026
South Hampton	26833-12PT	$ 1,538,700	128.3%	$ 1,199,299
Springfield	26835-12PT	$ 3,422,000	107.3%	$ 3,189,189
Stark	26836-12PT	$ 1,467,100	117.6%	$ 1,247,534
Stewartstown	26837-12PT	$ 2,528,100	134.7%	$ 1,876,837
Stoddard	26838-12PT	$ 5,508,170	106.3%	$ 5,181,722
Stratford	26842-12PT	$ 2,872,000	97.4%	$ 2,948,665
Sullivan	26846-12PT	$ 1,338,100	116.0%	$ 1,153,534
Sunapee	26847-12PT	$ 7,795,700	100.6%	$ 7,749,205
Unity	26839-12PT	$ 1,041,590	107.8%	$ 966,224
Warner	26840-12PT	$ 5,439,780	107.5%	$ 5,060,260
Washington	26841-12PT	$ 2,868,300	124.2%	$ 2,309,420
Whitefield	26843-12PT	$ 13,017,500	123.2%	$ 10,566,153
Wilmot	26845-12PT	$ 431,600	104.2%	$ 414,203
Totals (Rounded)		$ 344,308,000		$ 318,963,400

The Taxpayer has the burden of showing, by a preponderance of the evidence, the assessment on the Property located in each municipality in each tax year was disproportionally high or unlawful, resulting in the Taxpayer paying a disproportional share of taxes. See RSA 76:16-a; Tax 201.27(f); Tax 203.09(a); and Appeal of City of Nashua, 138 N.H. 261, 265 (1994). To establish disproportionality, the Taxpayer must show the total assessment in each municipality in each tax year was higher than the general level of assessment. Id.

I. Arguments Presented

The Taxpayer argued each of the assessments was disproportional because:

(1) the Taxpayer is the "only vertically integrated" utility and is the "largest electric utility" in New Hampshire, "owning generating plants, transmission assets, and distribution poles and associated equipment, operating as a single economic unit," and is subject to rate-making and other regulation by the New Hampshire Public Utilities Commission ("PUC") and the Federal Energy Regulatory Commission ("FERC") [see "Initial Trial Memorandum," pp. 1-3];

(2) the best evidence of the market value of the Property as a whole and as allocated to each municipality are the "Tegarden Appraisals" (Taxpayer Exhibit Nos. 1 and 2) prepared by Thomas K. Tegarden, a licensed, qualified and experienced MAI appraiser who properly concluded the Property's "highest and best use . . . as of the assessment dates was its continued use as part of an integrated electric system" ("Post-Hearing Memorandum," p. 8);

(3) Mr. Tegarden used the income and cost approaches to value the Property and reconciled them to arrive at credible estimates of market value in each municipality in each tax year (summarized in Taxpayer Exhibit Nos. 8, 9 and 10);

(4) Mr. Tegarden's market value conclusions are corroborated by the appraisals prepared by the department of revenue administration ("DRA") for the purposes of administering the RSA ch. 83-F statewide utility property tax [as shown in Taxpayer Exhibit No. 3 (the "DRA Appraisals" for tax years 2010, 2011 and 2012); see also Taxpayer Exhibit Nos. 8, 9 and 10)];

(5) eight municipalities (Bath, Landaff, Lincoln, Milan, Nelson, Randolph, Stoddard and Wilmot) now acknowledge overassessment occurred and therefore tax "refunds [are] due" for tax years 2011 and/or 2012 (cf. Taxpayer Exhibit No. 11 and the table attached to the Post-Hearing Memorandum); and

(6) the assessments in each municipality should be abated based on the allocated market values estimated in the Tegarden Appraisals adjusted by the stipulated level of assessment in each municipality (see Post-Hearing Memorandum, p. 63).

The municipalities argued the appealed assessments (except as noted below) were proportional because:

(1) the Tegarden Appraisals do not "capture the true fair market value of PSNH's property" and do not result in credible opinions of market value for each municipality for the reasons presented at the hearing and as stated in the "Joint Motion for Directed Verdict and Trial Memorandum of Law of the Municipalities" (hereinafter "Joint Trial Memorandum"), p. 8 and in the Upton & Hatfield "Pretrial Memorandum";

(2) the DRA Appraisals are entitled to no weight as evidence of disproportionality because each municipality has the statutory authority to establish assessments independent of the values arrived at in the DRA Appraisals and, in fact, municipalities do not receive copies of those appraisals because of the confidentiality provisions in RSA 21-J:14;[4]

(3) the best evidence of the market value of the Property in each municipality are the respective appraisals and reports prepared and testified to by the municipal assessors (Gary J. Roberge of Avitar Associates of New England, Inc., Frederick H. Smith of Brett S. Purvis & Associates, Wil Corcoran and Monica Gordon of Corcoran Consulting Associates, Inc. and George E. Sansoucy of George E. Sansoucy, PE, LLC), who are qualified and experienced assessors of electric utility and other property in the municipalities where they provide these services;

[4] Only after these appeals were filed did the Taxpayer elect to waive confidentiality and provide copies of the DRA Appraisals to the municipalities' attorneys.

(4) these assessors used accepted and reasonable approaches to arrive at credible estimates of market value of the Property located in each municipality as they are required to by statute (RSA 72:8 and 72:9); and

(5) the Taxpayer has not met its burden of proving disproportionality and the appeals should be denied except for the municipalities and tax years shown below where the assessors have arrived at market value conclusions that indicate abatements are warranted.

The parties stipulated to several foundational facts for each tax year for each municipality: (1) the total assessment and level of assessment; (2) the proportionality of the assessed value of the land owned by the Taxpayer; and (3) the proportionality of any non-appealed property owned by the Taxpayer. (See Taxpayer Exhibit Nos. 4 and 5, hereinafter, the "Stipulations.") On or about January 6, 2015 (prior to the start of the consolidated hearing), the Taxpayer filed the Initial Trial Memorandum, the municipalities represented by Upton and Hatfield filed the Pretrial Memorandum and the municipalities represented by Donahue, Tucker and Ciandella filed an "Opening Statement." On April 6, 2015, the Taxpayer filed the Post-Hearing Memorandum, the Town of Pelham filed a "Closing Brief" and the remaining municipalities filed the Joint Trial Memorandum.

During the consolidated hearing of the NHEC Appeals (on January 20, 2015; see Transcript, "Day 4," pp. 203-213), the Taxpayer filed a "Motion to Take Judicial Notice" of the DRA's "Equalization Process" in both sets of appeals, citing Evidence Code 201(d).[5] Certain municipalities in these appeals filed an "Objection" to this motion on February 2, 2015. The sole

[5] See also RSA 541-A:33, V:

> (c) Generally recognized technical or scientific facts within the agency's specialized knowledge.
> (d) Codes or standards that have been adopted by an agency of the United States, of this state or of another state, or by a nationally recognized organization or association.

issue framed in these pleadings is whether the Equalization Process has any "relevance whatsoever" to the issues in these appeals. The board has jurisdiction to hear and decide equalization appeals (see RSA 71-B:5, II(a), RSA 21-J:3, XIII, and RSA 21-J:9-a, V) and is familiar with the Equalization Process. Since no prejudice resulted by taking notice of the Equalization Process, the board granted this motion and notified the parties of this ruling on February 6, 2015.

On February 19, 2015, at the close of the Taxpayer's presentation in these appeals, the municipalities joined in an oral "motion for a directed verdict." The board heard extensive arguments from counsel, deliberated over the lunch break and advised the parties that it would take the motion under submission and later issue its ruling. (See PSNH Hearing Transcript, "Day 4," pp. 73-109.) The parties subsequently briefed their respective arguments and the board, after further deliberations, issued a May 19, 2015 Order Denying the Directed Verdict Motion.

The board's rulings on the merits of these appeals are presented below.

II. Rulings

The parties acknowledge and agree the Taxpayer has the burden of proof in each tax abatement appeal. (See, e.g., Initial Trial Memorandum, p. 4; and Joint Trial Memorandum, p. 7.) Based on this proof standard, the board finds the evidence presented by the Taxpayer (in the Tegarden Appraisals and the DRA Appraisals) failed to meet its burden of proving the assessments were disproportional.

The Taxpayer pointed out, however, that in the following municipalities and tax years each municipal assessor presented evidence indicating overassessment had occurred:

Tax Year	Municipality	Assessor	Stipulated Assessment Under Appeal	Assessed Value Indication at Hearing	Over-assessment ($)	Over-assessment (%)
2011	Landaff	Sansoucy	$ 944,400	$ 725,725	$ 218,675	23.2%
2011	Lincoln	Sansoucy	$ 305,200	$ 304,701	$ 499	0.2%
2011	Nelson	Sansoucy	$ 2,405,200	$1,809,437	$ 595,763	24.8%
2011	Stoddard	Sansoucy	$ 5,508,170	$5,084,529	$ 423,641	7.7%
2011	Wilmot	Roberge	$ 606,700	$ 523,500	$ 83,200	13.7%
2012	Bath	Sansoucy	$ 3,369,800	$2,226,952	$1,142,848	33.9%
2012	Landaff	Sansoucy	$ 944,400	$ 806,153	$ 138,247	14.6%
2012	Milan	Roberge	$ 3,462,600	$3,139,700	$ 322,900	9.3%
2012	Nelson	Sansoucy	$ 2,405,200	$1,911,198	$ 494,002	20.5%
2012	Randolph	Roberge	$ 1,418,200	$1,332,800	$ 85,400	6.0%
2012	Stoddard	Sansoucy	$ 5,508,170	$5,507,920	$ 250	0.005%

Sources: Taxpayer Exhibit No. 11 and table attached to Post-Hearing Memorandum; Municipality Exhibit A, Vol. I, Tables 34 and 35 (Bath, Landaff, Lincoln, Nelson, Stoddard); and Municipality Exhibit G (Milan), H and I (Randolph) and O (Wilmot).

The board grants the following appeals because the municipal assessors presented evidence acknowledging a material degree of overassessment:

Landaff in 2011, where the assessment is abated to $725,700, rounded, and in 2012, where the assessment is abated to $806,200, rounded;

Nelson in 2011, where the assessment is abated to $1,809,400, rounded, and in 2012, where the assessment is abated to $1,911,200, rounded;

Stoddard in 2011, where the assessment is abated to $5,084,500, rounded;

Wilmot in 2011, where the assessment is abated to $523,500;

Bath in 2012, where the assessment is abated to $2,227,000, rounded;

Milan in 2012, where the assessment is abated to $3,139,700; and

Randolph in 2012, where the assessment is abated to $1,332,800.

For Lincoln in 2011 and Stoddard in 2012, on the other hand, the board finds the slight differences between the assessment under appeal and the indicated assessment (well less than one percent in each instance) are not sufficient to warrant an abatement; consequently, those two appeals are denied.[6]

With respect to the remaining municipalities and tax years under appeal, the board finds the Taxpayer did not meet its burden of proving disproportionality and the appeals are therefore denied. The board's more detailed findings are presented below.

A. The Taxpayer and Its Property

As noted above, the Taxpayer is a for profit corporation and is the only vertically integrated utility in New Hampshire providing electricity "generation", "transmission" and "distribution" services in some 210 "communities."[7] (See also Post-Hearing Memorandum, p. 3.) According to the DRA Appraisals (p. 5), the Taxpayer, formed in 1926, now owns nine hydroelectric facilities and three fossil fuel-fired generating plants and is New Hampshire's largest electric utility, serving 490,000 homes and businesses, with rates regulated by the PUC.[8] The parties' experts agree the Taxpayer is a professionally-managed company and the Property is fully operational, in good condition and is well maintained.

---

[6] There is never one exact, precise or perfect assessment; rather, there is an acceptable range of values which, when adjusted to the municipality's general level of assessment, represents a reasonable measure of one's tax burden. See Wise Shoe Co. v. Town of Exeter, 119 N.H. 700, 702 (1979). The board has followed this principle in prior decisions: see, e.g., Jebb Road Real Estate Trust v. Merrimack, BTLA Docket No. 26521-11PT (October 3, 2014), p. 5; and Pioneer NH, LLC v. Portsmouth, BTLA Docket No. 25908-10PT (January 9, 2013), pp. 4-5.

[7] According to the "PA-20" filed by the Taxpayer with the DRA in 2011, PSNH's assets consist of: 18.76% generation; 22.27% transmission; and 58.97% distribution. (See Taxpayer Exhibit 36, p. TT-1453.)

[8] According to the Tegarden Appraisals, FERC "approves the [Taxpayer's] rates for certain electric sales to wholesale customers." (Taxpayer Exhibit No. 1, p. 24.)

The Taxpayer has "exclusive franchises" granted by the PUC to "distribute electricity in the respective areas in which it is now supplying such service" and these exclusive franchises also give the Taxpayer:

> [The] rights and powers to manufacture, generate, purchase, and transmit electricity, to sell electricity at wholesale to other utility companies and municipalities and to erect and maintain certain facilities on certain public highways and grounds, all subject to such consents and approvals of public authority and others as may be required by law. The distribution and transmission franchises of PSNH include the power of eminent domain.

(Taxpayer Exhibit No. 1, p. 13.) These exclusive franchises [reflected in the "Franchise Map," (Taxpayer Exhibit No. 6)], result in what the Taxpayer acknowledges are "quasi-monopolies." (Post-Hearing Memorandum, p. 42.)[9]

B. The Taxpayer's Stated Rationales For Filing These Appeals

According to the Post-Hearing Memorandum (p. 6), "PSNH brought these appeals" for several reasons, including its belief the assessments were "inconsistent with the assessments of similar property in other communities, such as those using the DRA values" and because "in some instances the assessments in 2011 and 2012 increased dramatically. . . ."

On the issue of consistency, there is no statutory or other requirement in New Hampshire mandating the use of a uniform methodology across municipalities. Moreover, there is reason to question whether appealing in multiple forums (superior court and the board) the assessments in only some of the many municipalities where the Taxpayer operates and owns taxable property is

[9] The supreme court has long recognized that all relevant factors must be considered in the valuation of utility property for tax purposes, including "whether the owner has a lawful monopoly." Public Service Company of New Hampshire v. Town of New Hampton, 101 N.H. 142, 146 (1957). In addition, the utility property "value may be enhanced "where the property located within a municipality "is and may be used as an integral part of an entire system." Id.

likely to advance or hinder the goal of achieving assessment uniformity throughout the state.[10] As noted above, separate from these 86 appeals heard by the board, the Taxpayer filed several appeals in the Rockingham County and Merrimack County superior courts.

The board heard considerable testimony regarding the complexity of assessing "multi-jurisdictional" properties and how a number of states assess utility (and other multi-jurisdictional) property at the state level using one method. That, however, is not the statutory framework in New Hampshire.[11] The supreme court has recognized, on more than one occasion, that "[t]here are five approaches to valuation potentially applicable to utility property, . . . [a]ll the approaches are valid, . . . [n]o factor has talismanic quality, . . . and many factors influence the determination of market value." Public Serv. Co. v. Town of Ashland, 117 N.H. 635, 638-39 (1977) (internal quotations omitted). (Cf. Joint Trial Memorandum, pp. 7-8.)

The recognized standard for obtaining a tax abatement in each municipality is a showing, by a preponderance of the evidence, that the Property "is assessed at a higher percentage of fair market value than the percentage at which property is generally assessed in the town. Appeal of Town of Sunapee, 126 N.H. 214, 217 (1985)." Porter v. Town of Sanbornton, 150 N.H. 363, 368 (2003) (Emphasis added). (See also Joint Trial Memorandum, p. 7.) For this reason, simply asserting the assessment methodology is "flawed" or "poor . . . does not prove a disproportionate

---

[10] According to Mr. Tegarden, the assets of PSNH have a total market value of $1.65 billion in 2011 and $1.825 billion in 2012. Based on the allocated values in his appraisals, the Taxpayer appealed approximately 4.47% of the total value of the Property in the 31appeals in tax year 2011 and approximately 7.56% in the 55 appeals in tax year 2012.

[11] As noted in a recent article focusing on "the taxation of railroads, public utilities, and other multijurisdiction [sic] properties,... because of both size and complexity, these properties are generally valued by state agencies rather than by local assessors, and the state agencies use valuation methods that differ markedly from the methods employed at the local level." (Cornia, Gary C., David J. Carpo, and Lawrence C. Walters, "The Unit Approach to the Taxation of Railroad and Public Utility Property" in Infrastructure and Land Policies (Lincoln Institute of Land Policy, 2013) [hereinafter "The Unit Approach"] at p. 126.

tax burden . . . because a taxpayer must prove that he or she is paying more than he or she ought to pay. [Citation omitted.]" (Porter, 150 N.H. at pp. 368 and 371.)

Insofar as assessment changes are concerned, mere increases from past assessments are not evidence the Property is disproportionally assessed compared to other properties in general in the taxing district in a given year and have never been held to be a sufficient reason for granting tax abatements. (See Appeal of Town of Sunapee, 126 N.H. 214.)

C. The Property Tax Assessment and Abatement Process

There is no dispute the Property is subject to property tax assessment at the municipal level as real estate based on its market value in each tax year. Market value is defined in RSA 75:1 as "the property's true and full value. . . ." and "the selectmen" in each municipality have the statutory responsibility to appraise it. See also RSA 72:8 (Electric Plants and Pipe Lines), which provides:

> All structures, machinery, dynamos, apparatus, poles, wires, fixtures of all kinds and descriptions . . . employed in the generation, production, supply, distribution, transmission, or transportation of electric power . . . shall be taxed as real estate in the town in which said property or any part of it is situated. . . .;

and RSA 72:9 (Where Taxable), which provides:

> If the property described in RSA 72:8...shall be situated in or extend into more than one town, the property shall be taxed in each town according to the value of that part lying within its limits.

(Cf. Joint Trial Memorandum, p. 6.) A municipality is obligated to abate a local property tax "for good cause shown," RSA 76:16, and, if a tax abatement appeal is filed with either the board or the superior court, that tribunal is authorized to "make such order thereon as justice requires." RSA 76:16-a; and RSA 76:17.

The board considers and weighs all of the evidence presented, applying the board's "experience, technical competence and specialized knowledge" to this evidence. See RSA 71-B:1;

and former RSA 541-A:18, V(b), now RSA 541-A:33, VI, quoted in Appeal of City of Nashua, 138 N.H. 261, 265 (1994) (the board has the ability, recognized in the statutes, to utilize its "experience, technical competence and specialized knowledge in evaluating the evidence before it").

Where there is conflicting evidence, the board must determine for itself the weight to be given each piece of evidence. As the supreme court has noted, "[g]iven all the imponderables in the valuation process" for public utility property, "[j]udgment is the touchstone." Public Service Co. of N.H. v. Ashland, 117 N.H. 635, 639 (1977), quoting from New England Power Co. v. Littleton, 114 N.H. 594, 599 (1974); cf. Appeal of Public Serv. Co. of N.H., 124 N.H. 479, 484 (1984). Judgment is essential because, as the supreme court has repeatedly recognized in considering the relative strengths of the various approaches to valuing utility property, "all also have weaknesses." (See PSNH v. Bow, 139 N.H. 105, 107 (1994), quoting from Ashland, 117 N.H. at 638.)

The supreme court further recognized that, because of the "unlikelihood of sale" of utility property, "this court has traditionally given the trier of fact considerable deference in this area." Southern N.H. Water Co. v. Hudson, 139 N.H. 139, 142 (1994), citing Ashland, 117 N.H. at 638, 639 and Public Service Co. v. New Hampton, 101 N.H. 142, 144, 146 (1957). Further, "[w]hen faced with conflicting [expert] testimony, a trier of fact is free to accept or reject an expert's testimony in whole or in part [citation omitted.] . . . [and can] credit the opinion of one expert over the opinions of other experts." LLK Trust v. Town of Wolfeboro, 159 N.H. 734, 740 (2010). (See also Joint Trial Memorandum, p. 7.)

D. The Appraisals and Testimony Presented

The Taxpayer relied primarily upon the Tegarden Appraisals and Mr. Tegarden's testimony as its expert witness. He is the owner of Tegarden & Associates, Inc., based in Nashville, Tennessee, and prepared the Tegarden Appraisals to value the Taxpayer's "Operating Electric Properties" for each tax year (2011 and 2012). (His qualifications and experience are detailed in an appended tab to his appraisals.)

Additionally, the Taxpayer submitted the DRA Appraisals which were prepared primarily by Scott E. Dickman, a New Hampshire certified general appraiser employed by the DRA in its Property Appraisal Division as a utility appraiser, who testified (under subpoena). (His qualifications and experience are included with each DRA Appraisal.) In its September 26, 2013 Order, the board ruled the DRA Appraisals would be admissible as evidence at the hearing on the merits and that the municipalities could conduct discovery regarding them.[12]

Mr. Dickman testified he has the responsibility to appraise property owned by approximately 90 utilities that do business in this state for the purpose of the RSA ch. 83-F statewide utility property tax.[13] This is a separate and distinct tax levied at the state level on the "full and true value" of "utility property" located within the state. (See RSA 83-F:1,V; RSA 83-F:2; and RSA 83-F:3.) He stated approximately "30-35%" of the municipalities in New

[12] As noted on pages 2-8 of that Order, the board relied on its own earlier rulings in the "Portland Pipe Line" appeals (discussed infra) and a February 13, 2013 Order issued by Judge Timothy J. Vaughan in four 2011 NHEC property tax appeals filed in Grafton County Superior Court. Further, "[a]n administrative agency is given broad discretion in determining the admissibility of evidence." Ruel v. N.H. Real Estate Appraiser Bd., 163 N.H. 34, 45 (2011). See also RSA 71-B:7 (the board is not "bound by the strict rules of evidence . . .").

[13] This volume of work, in the relevant statutory timeframes, implies Mr. Dickman can devote, on average, about one and one-half work days to each utility appraisal, including the appraisal of the Property owned by the Taxpayer. [See, generally, the cross-examination of Mr. Dickman by Attorney Boldt in the Transcript, "Day 3," pp. 19-22.] See also New Hampshire DRA 2012 Annual Report, p. 12, which states the DRA (in 2011) valued "1 nuclear power plant, 11 electric companies, 8 gas companies, 14 'renewal energy' companies, 40 hydroelectric companies, 19 water and sewer companies, 12 railroads and 43 private railcars," which had a combined valuation of $5.04 billion."

Hampshire utilize the allocated utility values in the DRA Appraisals [calculated primarily for the Equalization Process (pursuant to RSA 21-J:3, XIII)] for purposes of local property taxation, while the rest, like the municipalities involved in these appeals, rely on their own assessment methodology. When the legislature amended RSA 83-F in 2010, it made an explicit legislative finding that while RSA 83-F was to govern valuations for purposes of the utility property tax, "[n]othing in this act is intended to restrict the ability of any municipality to independently assess utility property for the purpose of locally administered . . . taxes." (See Municipality Exhibit FF.)

The Taxpayer contends abatements should be ordered "based on the results of Mr. Tegarden's appraisals" and further that the "DRA Appraisals provide independent and impartial support for Mr. Tegarden's opinions." (Post-Hearing Memorandum, pp. 63 and 47.) The municipalities sharply dispute these contentions in many respects, contending "the opinions of value of Mr. Tegarden and Mr. Dickman . . . were the product of faulty methodology and unsubstantiated assumptions . . ." (Joint Trial Memorandum, p. 74.)

The municipalities presented evidence from the following experts, all of whom are certified New Hampshire assessors[14]:

> Mr. Roberge, CEO of Avitar Associates of New England, Inc., for the Towns of Andover, Croydon, East Kingston, Greenville, Milan, Randolph, South Hampton, Stark, Stewartstown, Sullivan and Wilmot, who prepared the "Avitar Appraisals" (admitted as Municipality Exhibits B through P);
>
> Mr. Smith, employed by Brett S. Purvis & Associates, for the Town of Danville (see Municipality Exhibit FFF);
>
> Mr. Corcoran and Ms. Hurley of Corcoran Consulting Associates, Inc. for the Town of Pelham (see Municipality Exhibits Q & R); and
>
> Mr. Sansoucy, who is also a New Hampshire licensed engineer and general certified appraiser, for 42 communities (Antrim, Bath, Bennington, Bradford, Bridgewater, Bristol, Chester, Dunbarton, Durham, Francestown, Fremont, Gorham, Hampstead, Haverhill,

[14] The qualifications of these assessors are contained in their respective appraisals.

Henniker, Hinsdale, Hollis, Hopkinton, Lancaster, Landaff, Lincoln, Littleton, Madison, Marlborough, Nelson, New Hampton, New Ipswich, Newport, Northfield, Pembroke, Plymouth, Raymond, Sandwich, Springfield, Stoddard, Stratford, Sunapee, Unity, Warner, Washington and Whitefield), who prepared appraisals [the "Sansoucy Appraisals" admitted as Municipality Exhibit A (consisting of Volumes I, II, III, IV and V)].[15]

E. Valuation Issues

1. The Unit Method and Allocation Issues

The appraisals relied upon by the Taxpayer employ the unit method, which has been defined as the "appraisal of an integrated property as a whole without any reference to the value of its component parts." National Association of Tax Administrators, Appraisal of Railroad and Other Public Utility Property for Ad Valorem Tax Purposes (1954), p. 2.[16] The parties disagree fundamentally on whether this method of estimating value is permitted by New Hampshire law and whether it results in credible market value indications of the Property located in each municipality.

The board finds that, under New Hampshire law, the responsibility for property tax assessments is on local assessors and use of the unit method is not required. This may differ from the practice in other states where utility property assessment responsibilities are centralized: the Taxpayer asserted that approximately 35 of the 50 states use the unit method to value utilities, but

[15] The Taxpayer presented Hal B. Heaton, Ph.D., as a rebuttal witness. Taxpayer Exhibit No. 27 contains a two page letter containing Mr. Heaton's comments regarding the Sansoucy Appraisals and his qualifications and experience. Mr. Heaton is a finance professor at Brigham Young University: he is not an assessor or an appraiser and did not present his own opinion(s) of market value.

[16] Quoted and cited on page 7 of the 2011 and 2012 Dickman Appraisals and quoted (without attribution) on pages 27 and 29 of the 2011 and 2012 Tegarden Appraisals, respectively. See also The Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed., p. 202 [quoted in Portland Pipe Line Corporation v. Town of Gorham, BTLA Docket Nos. 24198-08PT/25123-09PT/25539-10PT (July 22, 2013) (hereinafter "Portland Pipe Line") at p. 8].

in almost all of these states, unlike New Hampshire, the exclusive responsibility for assessment is at the state level, not the local level.[17]

By the same token, the board does not find the unit method, when properly applied, is prohibited by New Hampshire law. The municipalities are correct that several trial courts, based on the specific evidence presented, have questioned the 'reliability' and 'propriety' of using a unit method to value "PSNH" property in certain municipalities and the supreme court has not overturned these findings (see citations and discussion in Joint Trial Memorandum, pp. 10-12). On the other hand, however, and as the Taxpayer points out, the supreme court "has never rejected the use of the unit method or found it unreliable as a matter of law for local assessment purposes." (Post-Hearing Memorandum, pp. 37-39.)

In Portland Pipe Line (see pp. 8-9), the board found use of a unit method to estimate the value of an underground oil pipeline was proper under the specific facts presented, because it found the "highest and best use [of the taxpayer's property in the Town of Gorham was] as a 4.95-mile long segment that is part of a 165.77-mile long, integrated crude oil pipeline" and the assets in the remainder of the pipeline were essentially homogeneous to those to be valued in the municipality. [See also Joint Trial Memorandum, p. 12, fn. 4.] Use of the unit method to value the whole economic unit and then allocation based on a proration based on length of pipeline located in the municipality was found to be reasonable by the board and the supreme court affirmed the board's findings (in an unpublished November 25, 2014 Order).

In summary, use of the unit method is not per se objectionable provided it is properly applied and provided the allocation of the total unit value to each municipality is reasonable. See

---

[17] The Taxpayer concedes this point on page 9 of the Post-Hearing Memorandum, citing Mr. Tegarden's testimony and noting that in only "several states" do "county and municipal assessors" use the unit method.

also Appeal of Pennichuck Water Works, Inc., 160 N.H. 18, 38 (2010) [quoting from Tennessee Gas Pipeline Co. v. Town of Hudson, 145 N.H.598, 602 (2001)]: "[W]e have . . . never attempted to tie a fact finder's hands with a rigid fair market value formula in the absence of legislative directive." Under these guiding principles, the board finds the use of a unit method to value the Property would not be improper if it is sufficiently supported by the evidence presented and the allocation methodology is appropriate in light of the actual assets that comprise the economic unit.

As the municipalities correctly emphasize (see Joint Trial Memorandum, pp. 48-54), the method of allocating the total unit value is critical in order to arrive at credible indications of market value of the Property located in each municipality. The Taxpayer's expert, Mr. Tegarden, allocated his total unit value estimates ($1.65 billion in 2011 and $1.825 billion in 2012) to each municipality based on a simple average of "Gross Investment" and "Net Investment." The board finds allocations using either metric or a simple average of the two is overly simplistic and does not result in credible opinions of market value.

As noted in a recent treatise, "[I]t is important to understand that allocation is an *assignment* of value rather than a *determination* of value." (The Unit Approach, p. 145.) In these appeals, the board finds allocation of the overall unit value to each municipality using any form of original cost ignores basic economic theory (the value of a dollar changes dramatically over time) and basic valuation theory (original cost does not necessarily equate to market value).

While the board found use of a relatively simple allocation method (based on number of miles) in Portland Pipe Line reasonable, those findings are distinguishable because the assets in the "economic unit" were generally homogenous. The assets being valued as part of the economic unit for the Taxpayer, on the other hand, are not homogenous and consist of varied generation

facilities (fossil-fueled and hydros), transmission lines and distribution assets, with only the last asset category arguably being homogenous. In Portland Pipe Line, the income stream generated by each mile of pipeline was more or less uniform and indistinguishable. In other words, a mile of pipeline in Gorham could be expected to generate the same income and therefore have the same value as a mile of pipeline in Shelburne. In contrast, the evidence is clear the Taxpayer obtained distinct revenue streams from its generation, transmission and distribution assets [as well as incurring varying expenses, resulting in distinct "ROE's" (Returns on Equity)] and each asset type is subject to separate rate making by the PUC. [See Joint Trial Memorandum, pp. 53-54; cf., Taxpayer Exhibit No. 34 (TT2878, TT2889 and TT2890); and Taxpayer Exhibit Nos. 36 (TT1452) and 37 (TT3600).]

The municipalities correctly point out that the location of substantial hydroelectric facilities and transmission substations in only some of the municipalities does impact local property valuations and to ignore this fact skews the allocations made in both the Tegarden and DRA Appraisals. Joint Trial Memorandum, pp. 44-49. As they argue: "To put it simply, if one [allocation] is wrong then all must be wrong . . . and the entire scheme of allocated values . . . are compromised and thereby invalidated for each and every municipality in these tax appeals . . . for the purposes of ad valorem municipal taxation." (Id., pp. 47 and 49.) The board agrees.

These findings regarding why care must be taken in allocating values between municipalities is consistent with previous board decisions, including Soft Draw Investments LLC v. Town of Greenland, BTLA Docket No.: 21766-05PT and Soft Draw Investments LLC v. Town of Stratham, BTLA Docket No.: 21767-05PT (consolidated decision issued February 6, 2010). In Soft Draw (an 18-hole golf course with 15 holes and parking areas in Greenland and 3 holes, clubhouse and storage building in Stratham), the board found when there are individual

components that add significant value, such as the clubhouse, the contributory value of those components cannot be ignored. In other words, in Soft Draw, the board did not allocate value using a simplistic method such as number of holes in each municipality. By analogy, the board finds it is similarly improper to allocate the total value of an integrated, long-established electric utility based on original or depreciated cost.

2. Tegarden Appraisals

A second critical issue in these appeals is the credibility of the evidence relied upon by the Taxpayer to prove disproportionality, primarily the Tegarden Appraisals. The board analyzed Mr. Tegarden's cost and income approaches to value and his conclusions in detail and finds his appraisals do not result in credible opinions of market value and therefore do not satisfy the Taxpayer's acknowledged burden of proving the assessment in each municipality in each tax year was disproportional. The board will briefly summarize the reasons for these findings.

One issue intensely disputed by the parties is whether it is reasonable to view the Taxpayer as having components (such as generation, transmission and distribution assets) that could be sold separately. Mr. Tegarden testified to valuing all of the Taxpayer's "operating assets" using the unit method, but acknowledged, on cross-examination, that he did not consider the possibility of sale of any of the key components of the Property, such as the hydros, in his valuation analysis.

The parties' experts agree that the final test in the determination of highest and best use analysis is what use is "maximally productive"; stated another way, it is the use that results in the highest value of the Property. Notwithstanding the fact of regulation by the PUC and the need for any sale to be approved as being "in the public interest," the board finds such sales are a reasonable possibility and therefore should be included in a credible valuation analysis. (Cf. Joint Trial Memorandum, pp. 20-22.) In simpler terms, to ignore such a possibility would be akin to an

appraiser not considering the subdivision potential of a large tract of land just because such subdivision would require approvals from various regulatory bodies.

These findings are supported by the "Liberty Report," prepared jointly by the PUC staff and The Liberty Consulting Group, an outside consultant. (Excerpts from the Liberty Report were admitted into evidence as Municipality Exhibit X and the full report was admitted as Municipality Exhibit Z.) The Liberty Report discusses how the PSNH generation assets could be sold individually, in packages ("fossil assets" and "hydro units") or in their entirety ("the fossil/hydro fleet"). One conclusion in the Liberty Report (see pp. 33 and 40-41) is that all of the Taxpayer's hydros may have a value ($167.2 million) more than three times their NBV ("Net Plant") value ($47.2 million). See also Municipality Exhibit AA [comparing the value conclusion for the Ayers Island hydro (in Bristol and New Hampton) reflected in the Liberty Report ($20 million) to the much lower value ($9.2 million) allocated in the 2011 Tegarden Appraisal for all of the Property located in these two municipalities, including this hydro].

In summary, the board finds a major overall weakness of the Tegarden Appraisals (as well as the DRA Appraisals) is that they contain, at best, only a very cursory highest and best use analysis and do not consider whether or not sale of parts of the Property, such as one or all of the hydros, would result in a higher value than an assumed sale of the Property as a whole.

With respect to the income approach, the board does not agree with the Taxpayer's argument Mr. Tegarden "used accepted techniques to determine a realistic and well supported estimate of projected net operating income and make sure that he captured all the potential income that the property could earn." (Post-Hearing Memorandum, p. 10.) The board finds that, in material respect, Mr. Tegarden appears to confuse and distort the basic and distinct concepts of income and cash flow. This is evident from his own "Explanation of Income Approach" where his

calculations lead him to estimate "Future Net Cash Flow," not net operating income ("NOI"), and from a review of the actual data reported by the Taxpayer to FERC that he relies upon. (See, e.g., 2011 Tegarden Appraisal, pp. 49-51.) In addition, his appraisals do not present specific revenue or expense information, making his resulting opinions of value less credible.

For example, his NOI estimates for 2011 and 2012 ($126,977,561 and $130,047,358, respectively) can be traced directly to the "Net Util. Oper Inc" figures reported by the Taxpayer on the FERC Form-1's. (See, e.g., Taxpayer Exhibit No. 35, p. TT3258.) Use of these figures to estimate NOI is problematic, however, because they include very large expense deductions totaling approximately $294 million[18] that appear to be either non-cash expenses or items not typically included in a direct capitalization approach for market valuation purposes.[19]

To the extent Mr. Tegarden treated reported depreciation "as a proxy for capital expenditures," the board finds merits in the municipalities arguments that this results in an overestimation of expenses. Even if the board were to accept the indicated book depreciation expense ($67,577,233 in 2011 and $7,246,732 in 2012, for example) as crude estimates for capital replacement reserves, deducting amortization and depletion and other non-cash items from income to estimate "cash flow" cannot reasonably be justified and result in an understatement of income to be capitalized. The municipalities make these and other points on pages 68 and 69 of the Joint

[18] In this FERC report, the Taxpayer's reported expense deductions include "Depreciation" ($67,577,233), "Amortization & Depl. of Utility Plant" ($135,350), "Regulatory Debits" ($61,588,834), "Taxes Other Than Income Taxes" ($52,563,459) and "Income Taxes - Federal" ($7,833,830), "Income Taxes - Other" ($5,573,933) and "Provision for Deferred Income Taxes" ($98,467,104) which are partially offset by "Provision for Deferred Income Taxes-Credit" ($59,450,319).

[19] See, generally, The Appraisal Institute, The Appraisal of Real Estate, (13th ed. 2008), pp. 392, 469 and 493; cf. Taxpayer Exhibit No. 13 (containing pages from this same source); and Joint Trial Memorandum, p. 69.

Trial Memorandum in explaining why no weight can be placed on the income approach in the Tegarden Appraisals.[20]

For all of these reasons, the board finds Mr. Tegarden's "Estimated Net Cash Flow to Capitalize" ($140 million in 2011 and $145 million in 2012) are understated and correction would dramatically increase the market value indications arrived at in his income approach.

Turning to Mr. Tegarden's cost approach, the Taxpayer argues that Mr. Tegarden "was clear that market value was not synonymous with either net book cost or rate base." Nevertheless, he relied on "original cost less depreciation" because of "the importance of this cost factor in the rate-setting process." (Compare Post-Hearing Memorandum, pp. 9 and 12 with 2011 Tegarden Appraisal, p. 36.)

The board finds Mr. Tegarden's use of original cost less book depreciation is essentially a calculation of net book value ("NBV")[21] and this NBV, further adjusted by his estimates of external obsolescence, is not credible as an indication of market value. Simply put, what the Taxpayer paid for the Property (to construct or acquire the various generation, transmission and distribution components) over many decades does not provide any probative evidence of its market value in 2011 and 2012. Further, and to employ one stark analogy, a buyer of utility property is not likely to differentiate between what would be paid for an electric pole based on

[20] Cf. Municipality Exhibit SS, which presents a quantitative analysis for the 2012 DRA Appraisal and shows how the market value indicated by the income approach in that appraisal would increase from approximately $1.5 billion to $2.4 billion if depreciation, a non-cash item, is added back into the NOI to be capitalized.

[21] The municipalities argued Mr. Tegarden overstated the depreciation expense by relying on "book" or accounting depreciation rather than actual, or physical, depreciation. See Joint Trial Memorandum, p. 16. The board finds merit in this argument. "The book depreciation for the improvements on a parcel of real estate is based on historical cost or another previously established figure which may have no relation to current market value." The Appraisal of Real Estate, 11th ed., (1996), p. 498. To the extent book depreciation is higher than physical depreciation, the market value indication arrived at in the cost approach is understated.

whether it has been fully depreciated or partially depreciated for "book" purposes. Yet, an approach to value that focuses on NBV does precisely this.

The municipalities emphasize the many problems associated with use of the NBV approach to valuing utility property and how these problems have been recognized by the board and the New Hampshire superior and supreme courts. See, e.g., the discussion in the Pretrial Memorandum, pp. 4-6, citing and discussing Public Service Company of New Hampshire v. New Hampton, 101 N.H. 142, 151 (1957); Public Service Company of New Hampshire v. Farmington, BTLA Docket Nos. 1281-81 and 1940-82 (February 9, 1990); and Public Service Company of New Hampshire v. Bow, Merrimack County Superior Court Docket No. 88-E-161, where the superior court noted: "The facilities in question were built over a span of years under varying conditions as to construction costs, rates of inflation, and strategic considerations of the company. A comparison based on original cost may thus be quite misleading."

In regards to the estimation of external obsolescence, Mr. Tegarden applied very high percentages (17.44% in 2011 and 13.58% in 2012) to his estimated NBV. He derived these estimates by comparing the "actual return" to his estimated "rate of return required by investors," with "the percentage difference reflecting the amount of economic obsolescence." (Post-Hearing Memorandum, p. 10.) The board does not find this analysis credible for several reasons.

First, as noted above, the board finds Mr. Tegarden's estimation of NOI is understated. Understating NOI, all other things being equal, will result in an understatement of the "return" on "plant in service." Thus, there is reason to believe the "Return on Avg. Net Plant" figures calculated by Mr. Tegarden (7.1% in 2011 and 7.0% in 2012) are too low. (See 2011 Tegarden Appraisal, p. 34.; and 2012 Tegarden Appraisal, p. 36.)

Second, the board does not find the "rate of return required by investors" asserted in each Tegarden Appraisal (8.6% in 2011 and 8.1% in 2012) to be adequately supported. There is reason to question these rates given that Mr. Dickman performed a similar analysis and concluded the rate of return required by investors was 7.15% in 2011. If Mr. Dickman's 7.15% required rate of return is correct, it would obviate external obsolescence in the 2011 Tegarden Appraisal.

It is also clear Mr. Tegarden testified he only inspected a "representative sample" of the Property, relying instead on financial information provided by the Taxpayer. (See Transcript, "Day 1," p. 55.) The Tegarden Appraisals contain (as required to by the Uniform Standards of Professional Appraisal Practice, "USPAP") a scope of work in which Mr. Tegarden states as "a comprehensive examination of all relevant financial data necessary for the determination of the market value of the operating electric properties of PSNH."[22]

The board finds Mr. Tegarden demonstrated a relative lack of familiarity with fundamental matters which impact the value of the Property. For example, he expressed little, if any, knowledge regarding the Ayers Island Hydro located in Bristol and New Hampton. When asked why his value estimated for New Hampton "doubled" between 2011 and 2012 (from $5,854,824 in 2011 to $10,441,499 in 2012), he could not provide an intelligible answer. [PSNH Transcript, "Day 2," pp. 13-26; see also 2011 Tegarden Appraisal, p. 124 and 2012 Tegarden Appraisal, p. 127.] The board finds this testimony lessens his credibility because the Ayers Hydro is a substantial asset of the Taxpayer and its contributory value is presumably significant.

Additionally, Mr. Tegarden testified he doesn't "claim to be an expert" on appraising hydroelectric generation facilities on a standalone basis and "[i]t's a job I probably would turn

[22] The description of the physical property being appraised is limited to a "Schedule of Property" in each municipality prepared internally by the Taxpayer and "Wikipedia" descriptions of each municipality. The Schedule of Property is not detailed and, when asked about specifics, Mr. Tegarden was unable to respond.

down if offered. One has to be competent in a particular appraisal field to do it." PSNH Transcript, "Day 2," p. 12. It is somewhat illogical, or perhaps simply disingenuous, for an appraiser who contends he is competent to appraise an economic unit consisting of an amalgam of electric generation, transmission and distribution assets to profess (on cross-examination) to not having the competency to appraise one of those key assets (hydroelectric generation).

For all of these reasons, the board finds the Tegarden Appraisals do not provide sufficient, credible evidence to establish the disproportionality of any assessment under appeal. These appeals all involve the proportionality of local municipal assessments, not the value of the Property as a whole. The Tegarden Appraisals, however, lack any credible indication of market value for local assessment purposes: the "most probable price" a willing buyer would pay for the Taxpayer's taxable real estate within any particular municipality. (Cf. the market value definition on page 2 of the 2011 and 2012 Tegarden Appraisals.)

3. DRA Appraisals

Like the Tegarden Appraisals, the DRA Appraisals utilize the cost and income approaches to value, but not the sales comparison approach.[23] To the extent the DRA Appraisals reflect use of a parallel methodology and line of thinking to the Tegarden Appraisals,[24] they suffer from many of the same problems discussed above.

Further, the DRA Appraisals contain no descriptions of the actual utility property being appraised, which is contradictory to the "Appraising Utilities" factsheet published on DRA's website Mr. Dickman referenced in his testimony. (See NHEC Appeals Transcript, "Day 4," pp.

[23] See Taxpayer Exhibit No. 3: p. 28 in the 2011 DRA Appraisal; and p. 29 in the 2012 DRA Appraisal.

[24] Like Mr. Tegarden, Mr. Dickman used the unit method to estimate the total value of the Property which he then allocated to each municipality based on original cost (rather than an average of "Gross Investment" and "Net Investment" as Mr. Tegarden did).

99 and 135.) That factsheet, a "template" prepared by him, states, "The first step in ANY valuation process is the development of a clear understanding of the appraisal assignment. Without exception, this involves identifying the specific characteristics of the appraised property, such as the nature of the improvements, accompanying property rights, etc." (Cf., p. 7 in the 2011 and 2012 DRA Appraisals, which states identification is one of the "three steps" needed to apply the unit method.) Nonetheless, during his testimony, Mr. Dickman could not answer questions regarding specific assets owned by the Taxpayer (land, hydros, transmission assets and other improvements) in any municipality.

The municipalities note Mr. Dickman did not inspect the Property and did not receive an "inventory" of assets owned in each municipality from the Taxpayer but instead simply relied upon aggregate information provided to him by the Taxpayer in the PA-20 filings required for purposes of RSA 83-F. (See, e.g., Taxpayer Exhibit Nos. 36 and 37.) Mr. Dickman testified that some figures in the DRA Appraisals may not coincide with the figures on the PA-20 because the Taxpayer submits an "electronic spreadsheet" that Mr. Dickman then uses to "populate[]" his "model," noting he does not rely on the PA-20 form itself. (See NHEC Appeals Transcript, "Day 4," p. 110.) This practice raises further doubts regarding the credibility of the DRA Appraisals.

In contrast to Mr. Tegarden, who put "most weight" on the income approach for both years, Mr. Dickman applied the most weight to the cost approach. Moreover, he applied shifting weights to each approach: in 2010, 80% to the cost approach and 20% to the income approach; in 2011, 90% to the cost approach and 10% to the income approach; and in 2012, 95% to the cost

approach and 5% to the income approach. No credible explanation was offered as to why the weightings shifted between these three tax years.[25]

Mr. Dickman calculates higher "preliminary" reconciled market values for the Property ($1.9 billion in 2011 and $2.2 billion in 2012) than Mr. Tegarden, but then makes a further deduction (which Mr. Tegarden does not do), for Mr. Dickman's estimated market value for so-called "Non-taxable, Pollution Control, etc." items. These items totaled $321,695,955 in 2011 and $417,068,883 in 2012. In large part, these figures (in both tax years) relate to construction of a "scrubber" located at the Taxpayer's coal-fired generation facility in Bow (Merrimack Station) which the New Hampshire Department of Environmental Services determined qualified for a "pollution control" tax exemption pursuant to RSA 72:12-a.

For 2011, there is little or no support for the amount of this exemption in the DRA Appraisal, the majority of which Mr. Dickman indicates was for "construction work in progress" ("CWIP"). In 2012, Mr. Dickman does show some calculations, but they are both questionable and circular. (See 2012 DRA Appraisal, p. 28, where he applies a 30.79% depreciation factor for equipment that is brand new and just placed into service, and applies an additional 2.01% economic/external obsolescence factor.) He estimates a similar value utilizing the income approach using entirely circular reasoning.

At best, Mr. Dickman has exempted an estimate of depreciated, original cost of the new scrubber rather than following the mandate in RSA 72:12-a to exempt market value. In fact, Mr. Dickman has given the Taxpayer exemptions that likely greatly exceed the "upper limit on the potential value of" the Bow generation facility of $15.4 million stated in the Liberty Report

[25] The board noted these weightings differ dramatically from those in the DRA Appraisals presented in the NHEC Appeals. In NHEC, the weightings are: 90% to the income approach and 10% to the cost approach in 2011; and 80% to the income approach and 20% to the cost approach in 2012. There is no discernible explanation for why the weightings differ to this extent between electric utilities and tax years.

(p. 36). Although the assessments of the Merrimack Station are not directly before the board, the value allocated to Bow in Mr. Dickman's unit method and allocation process intrinsically and inevitably impact his resulting allocated values for all of the other municipalities where the Property is located, whether appealed or not.

In 2011, Mr. Dickman deducted the "non-taxable" items and "pollution control" exemptions from his overall unit value, which he then allocated to each municipality. In 2012, however, he deducted only the "non-taxable" items from his unit value and then performs his allocation procedure. After this initial allocation, he then applies the "pollution control" exemption ($331.6 million) to the municipalities where the actual "pollution control devices" are physically located (Bow, Newington and Portsmouth).

While these changes in allocation methodology between 2011 and 2012 may initially appear to be innocuous, they dramatically changed the resulting allocations in the DRA Appraisals. In the Town of Whitefield, for example, the changes increased the allocated value by close to $1 million even though there was no evidence of any material change in the assets located in this municipality between these years. See also the discussion of the impact of Mr. Dickman's "internal accounting changes" between 2011 and 2012 on the Towns of Bristol, Bath and Landaff in the Joint Trial Memorandum, p. 13 (increases in allocated values by "23%, 24% and 38%," even though their cost bases have "not materially changed"); cf. Municipality Exhibit LL (comparing these percentage changes to the "9%" increase in the DRA estimated value for the Taxpayer as a whole).

The board finds there is only one market value opinion in each DRA Appraisal, a number valuing all of the utility property owned by the Taxpayer, irrespective of where it is located. In other words, the portion of the total value assigned to each municipality in these appraisals (to fulfill the DRA's equalization responsibilities) is simply an arithmetic allocation based on historical cost, not the independent opinion of market value of a professional appraiser or assessor that can meaningfully be used to corroborate or rebut the conclusions contained in the Tegarden Appraisals. As the municipalities correctly argue, "the requirements of RSA 72:9 are not met" and the values allocated to each municipality "are not true indicators of the fair market value in any one taxing jurisdiction" when such an approach is followed. (See NHEC Joint Post Trial Memorandum, p. 16; and Joint Trial Memorandum, pp. 13-14.) Along with citing RSA 72:8, quoted above, the municipalities state:

> The legislature recognized the difficulty of determining the value of assets in one town when they are part of an integrated system which is located within multiple towns, [sic] and specifically provided that utility property "shall be taxed in each town according to the value of that part lying within its limits." RSA 72:9 (emphasis added). . . .
>
> The assessed value cannot exclude value which is attributable to the property within the town and cannot include value which is attributable to property not located in the assessing town. PSNH v. Bow, 139 N.H. 105, 107 (1994).[26] NHEC bears the burden of establishing that the fair market value which it asserted at trial captures all of the value of the property in each town and does not include value which is attributable to property which is located in other municipalities.

(See NHEC Joint Post-Trial Memorandum, pp. 1-2 and 7.) The board agrees.

---

[26] The supreme court in Bow specifically noted:

> The trial court found several weaknesses in the unit method. Because the unit method valued the entire PSNH system as a whole and then allocated a portion of that value to each component property based on its net book cost, it failed to focus on the income contribution of the particular property and included the effects of property outside the taxing jurisdiction. Additionally, we have previously noted that "changing price levels would render such a method impractical and unfair." Public Service Co. v. New Hampton, 101 N.H. 142, 151, 136 A.2d 591, 598 (1957). The court therefore determined that the unit method was "an unreliable means of evaluating specific property." We find ample evidence in the record to support the trial court's rejection of PSNH's valuation method.

As noted above, Mr. Dickman testified approximately "30-35%" of the municipalities in New Hampshire use the value shown in the DRA Appraisals for local ad valorem tax assessing purposes. To briefly summarize the process, once the DRA completes each annual utility appraisal, as it is statutorily charged to do pursuant to RSA 83-F, it provides a copy to the utility and publishes a list of the utility values on its website. As noted above, the DRA does not provide the actual utility appraisal report to any municipality, citing the confidentiality constraints in RSA 21-J:14.

The board has concerns regarding whether use of a mere allocation calculated in an appraisal, without any opportunity to examine, review or verify the information contained within it, is sufficient to satisfy the selectmen's obligations under RSA 75:1. This statute obligates the selectmen to assess:

> [All] ... taxable property at its market value. Market value means the property's full and true value as the same would be appraised in payment of a just debt due from a solvent debtor. The selectmen shall receive and consider all evidence that may be submitted to them relative to the value of property, the value of which cannot be determined by personal examination.

The board has written repeatedly on why the assessing process should be transparent and understandable to the taxpayers in each municipality. As noted in Town of Orford, BTLA Docket No. 21473-05RA (November 3, 2005), p. 15:

> The authority to assess property has been delegated by the legislature to selectmen/assessors. This delegation entrusts this important function to a select few. Regardless of whether those elected or appointed officials perform the function or it is contracted to the private sector, those who carry out this function should document their analysis so that those who shoulder the burden, the taxpayers, can understand it. Such clear documentation is necessary to open the 'black box' of any CAMA system so that taxpayers can follow the road map of how their assessments are linked to the market data analyzed by municipalities or its contract assessing firms. Mere statements, as contained in the Revaluation Manual, that the analysis was performed are not adequate; that analysis must be shown.

In a similar vein, the 2006 Chapter 193:1 legislative findings and intent [with respect to RSA 21-J:14-b, I(c)] noted the following.

> Documentation of the analysis of market data used to set values are (sic) needed by the governing body and the taxpayers in the state of New Hampshire. The general court also finds that documentation, assumptions,, and calculations shall be transparent for our citizens....

See In re: Town of Barrington Reassessment, BTLA Docket No. 22551-07RA (January 8, 2008), p. 3. It is difficult to understand how sole reliance on the allocated value (from DRA Appraisals, prepared for the purpose of administering the RSA 83-F utility tax), for local assessing purposes is dissimilar to the use of a "black box," which contrary to the legislative intent stated above.

The Taxpayer noted the municipalities have not challenged the DRA's use of the values estimated by Mr. Dickman in the DRA Appraisals for equalization purposes, even though, in many instances, his values are lower than the assessed values in the municipalities. The board places no probative weight on this argument as proof of disproportionality. The municipalities were under no obligation to undertake what would likely have been an expensive and time-consuming process of challenging each equalized value determination by the DRA. [See, e.g., Appeal of Coos County Commissioners, 166 N.H. 379 (2014).]

4. Assessment Methodologies

The board has reviewed the many criticisms leveled at the assessment methodologies used by the municipal assessors (see Post-Hearing Memorandum, pp. 17-31), as well as the municipalities' responses to those criticisms (see Joint Trial Memorandum, pp. 26-42). The board need not address these points here, however, because challenges based on assessment methodology do not, and cannot, carry the Taxpayer's burden of proving disproportionality. (See discussion above, especially in Section II.B, regarding the standard of proof in tax abatement appeals.)

F. Summary and Conclusions

The board finds merit in many of the municipalities' arguments regarding why the Taxpayer did not meet its burden of proving disproportionality of each local assessment by relying on the Tegarden Appraisals and the DRA Appraisals. [See Joint Trial Memorandum (pp. 18-26).] In brief, the board finds these appraisals fail to establish the Taxpayer's entitlement to tax abatements.

As noted above (see pp. 9-10), however, based on the appraisal and other evidence presented by the municipalities themselves, the board grants the Landaff, Nelson, Stoddard and Wilmot 2011 appeals and the Bath, Landaff, Milan, Nelson and Randolph 2012 appeals and denies all of the remaining appeals. If the taxes have been paid, the amount paid on the value in excess of the abated assessments for Bath, Landaff, Milan, Nelson, Randolph, Stoddard and Wilmot for these tax years shall be refunded with interest at six percent per annum from date paid to refund date. RSA 76:17-a.

Any party seeking a rehearing, reconsideration or clarification of this Decision must file a motion (collectively "rehearing motion") within thirty (30) days of the clerk's date below, not the date this decision is received. RSA 541:3; Tax 201.37. The rehearing motion must state with specificity all of the reasons supporting the request. RSA 541:4; Tax 201.37(b). A rehearing motion is granted only if the moving party establishes: 1) the decision needs clarification; or 2) based on the evidence and arguments submitted to the board, the board's decision was erroneous

in fact or in law. Thus, new evidence and new arguments are only allowed in very limited circumstances as stated in board rule Tax 201.37(g). Filing a rehearing motion is a prerequisite for appealing to the supreme court, and the grounds on appeal are limited to those stated in the rehearing motion. RSA 541:6. Generally, if the board denies the rehearing motion, an appeal to the supreme court must be filed within thirty (30) days of the date on the board's denial with a copy provided to the board in accordance with Supreme Court Rule 10(7).

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

Michele E. LeBrun, Chairman

Albert F. Shamash, Member

Theresa M. Walker, Member

PSNH CERTIFICATION FOR TAX YEAR 2011

I hereby certify a copy of the foregoing Order has this date been mailed, electronically and postage prepaid, to: Margaret H. Nelson, Esq., Sulloway & Hollis, 9 Capitol Street, Concord, NH 03301, Taxpayer representative; Walter L. Mitchell, Esq. and Judith E. Whitelaw, Esq., Mitchell Municipal Group, P.A., 25 Beacon St. East, Laconia, NH 03246; Mr. George E. Sansoucy and Mr. Brian D. Fogg, George E. Sansoucy, PE, LLC, 89 Reed Road, Lancaster, NH 03584; Avitar Associates of New England, Inc., 150 Suncook Valley Highway, Chichester, NH 03258; Christopher L. Boldt, Esq., Donahue, Tucker & Ciandella, PLLC, 56 NH Route 25, PO Box 214, Meredith, NH 03253; John J. Ratigan, Esq., Donahue, Tucker & Ciandella, PLLC, 225 Water Street, Exeter, NH 03833; Matthew R. Serge, Esq., Upton & Hatfield LLP, PO Box 1090, Concord, NH 03302; Shawn M. Tanguay, Esq., Gardner, Fulton & Waugh, PLLC, 78 Bank Street, Lebanon, NH 03766; Mr. Wil Corcoran, Corcoran Consulting Associates, Inc., PO Box 1175, Wolfeboro Falls, NH 03896; Chairman, Board of Selectmen, 6 Pinnacle Hill Road, New Hampton, NH 03256; Chairman, Board of Selectmen, 7 Nelson Common Road, Nelson, NH 03457; Chairman, Board of Selectmen, PO Box 72, Wilmot, NH 03287; Chairman, Board of Selectmen, 7 Jefferson Road, Whitefield, NH 03598; Chairman, Board of Selectmen, PO Box 265, Warner, NH 03278; Chairman, Board of Selectmen, 756 Dalton Road, Dalton, NH 03598; Chairman, Board of Selectmen, Town of Unity - 13 Center Road #1, Charlestown, NH 03603-7500; Chairman, Board of Selectmen, 23 Edgemont Road, Sunapee, NH 03782-2513; Chairman, Board of Selectmen, 1450 Route 123 North, Stoddard, NH 03464; Chairman, Board of Selectmen, PO Box 22, Springfield, NH 03284; Chairman, Board of Selectmen, 3 Hilldale Avenue, South Hampton, NH 03827; Chairman, Board of Selectmen, PO Box 194, Center Sandwich, NH 03227; Chairman, Board of Selectmen, 130 Durand Road, Randolph, NH 03593; Chairman, Board of Selectmen, 311 Pembroke Street, Pembroke, NH 03275; Chairman, Board of Selectmen, 6 Village Green, Pelham, NH 03076-3172; Chairman, Board of Selectmen, 330 Main Street, Hopkinton, NH 03229; Chairman, Board of Selectmen, PO Box 13, Hinsdale, NH 03451; Chairman, Board of Selectmen, 18 Depot Hill Road, Henniker, NH 03242; Chairman, Board of Selectmen, 15 Sunapee Street, Newport, NH 03773; Chairman, Board of Selectmen, 661 Turnpike Road, New Ipswich, NH 03071; Chairman, Board of Selectmen, PO Box 61, Andover, NH 03216; Chairman, Board of Selectmen, PO Box 487, Marlborough, NH 03455; Chairman, Board of Selectmen, PO Box 248, Madison, NH 03849; Chairman, Board of Selectmen, PO Box 25, Lincoln, NH 03251; Chairman, Board of Selectmen, PO Box 125, Landaff, NH 03585; Assessing Office - Mr. James Rice, 15 Newmarket Road, Durham, NH 03824; Chairman, Board of Selectmen, 230 Lake Street, Bristol, NH 03222; Chairman, Board of Selectmen, 11 Main Street, Hampstead, NH 03841; Chairman, Board of Selectmen, PO Box 5, Francestown, NH 03043; Chairman, Board of Selectmen, PO Box 88, Bath, NH 03740; and Chairman, Board of Selectmen, 25 Main Street, Lancaster, NH 03584.

PSNH CERTIFICATION FOR TAX YEAR 2012

I hereby certify a copy of the foregoing Order has this date been mailed, electronically and postage prepaid, to: Margaret H. Nelson, Esq., Sulloway & Hollis, 9 Capitol Street, Concord, NH 03301, Taxpayer representative; Walter L. Mitchell, Esq. and Judith E. Whitelaw, Esq., Mitchell Municipal Group, P.A., 25 Beacon St. East, Laconia, NH 03246; Mr. George E. Sansoucy and Mr. Brian D. Fogg, George E. Sansoucy, PE, LLC, 89 Reed Road, Lancaster, NH 03584; Avitar Associates of New England, Inc., 150 Suncook Valley Highway, Chichester, NH 03258; Christopher L. Boldt, Esq., Donahue, Tucker & Ciandella, PLLC, 56 NH Route 25, PO Box 214, Meredith, NH 03253; Shawn M. Tanguay, Esq., Gardner, Fulton & Waugh, PLLC, 78 Bank Street, Lebanon, NH 03766; Matthew R. Serge, Esq., Upton & Hatfield LLP, PO Box 1090, Concord, NH 03302; John J. Ratigan, Esq., Donahue, Tucker & Ciandella, PLLC, 225 Water Street, Exeter, NH 03833; Mr. Wil Corcoran, Corcoran Consulting Associates, Inc., PO Box 1175, Wolfeboro Falls, NH 03896; Brett S. Purvis & Associates, Inc., c/o Allison Purvis, 1195 Acton Ridge Road, Acton, ME 04001; Chairman, Board of Selectmen, 756 Dalton Road, Dalton, NH 03598; Chairman, Board of Selectmen, 6 Pinnacle Hill Road, New Hampton, NH 03256; Chairman, Board of Selectmen, 7 Nelson Common Road; Nelson, NH 03457; Chairman, Board of Selectmen, PO Box 72, Wilmot, NH 03287; Chairman, Board of Selectmen, 7 Jefferson Road, Whitefield, NH 03598; Chairman, Board of Selectmen, PO Box 265, Warner, NH 03278; Chairman, Board of Selectmen, Town of Unity - 13 Center Road #1, Charlestown, NH 03603-7500; Chairman, Board of Selectmen, 23 Edgemont Road; Sunapee, NH 03782-2513; Chairman, Board of Selectmen, 1450 Route 123 North, Stoddard, NH 03464; Chairman, Board of Selectmen, PO Box 22, Springfield, NH 03284; Chairman, Board of Selectmen, 3 Hilldale Avenue, South Hampton, NH 03827; Chairman, Board of Selectmen, PO Box 194, Center Sandwich, NH 03227; Chairman, Board of Selectmen, 130 Durand Road, Randolph, NH 03593; Chairman, Board of Selectmen, 311 Pembroke Street, Pembroke, NH 03275; Chairman, Board of Selectmen, 6 Village Green, Pelham, NH 03076-3172; Chairman, Board of Selectmen, 330 Main Street, Hopkinton, NH 03229; Chairman, Board of Selectmen, PO Box 13, Hinsdale, NH 03451; Chairman, Board of Selectmen, 18 Depot Hill Road, Henniker, NH 03242; Chairman, Board of Selectmen, 15 Sunapee Street, Newport, NH 03773; Chairman, Board of Selectmen, 661 Turnpike Road, New Ipswich, NH 03071; Chairman, Board of Selectmen, PO Box 61, Andover, NH 03216; Chairman, Board of Selectmen, PO Box 487, Marlborough, NH 03455; Chairman, Board of Selectmen, PO Box 248, Madison, NH 03849; Chairman, Board of Selectmen, PO Box 25, Lincoln, NH 03251; Chairman, Board of Selectmen, PO Box 125, Landaff, NH 03585; Assessing Office - Mr. James Rice, 15 Newmarket Road, Durham, NH 03824; Chairman, Board of Selectmen, 230 Lake Street, Bristol, NH 03222; Chairman, Board of Selectmen, 11 Main Street, Hampstead, NH 03841; Chairman, Board of Selectmen, PO Box 5, Francestown, NH 03043; Chairman, Board of Selectmen, PO Box 88, Bath, NH 03740; and Chairman, Board of Selectmen, 25 Main Street, Lancaster, NH 03584; Chairman, Board of Selectmen, 879 NH Route 10, Croydon, NH 03773; Chairman, Board of Selectmen, 24 Depot Road, East Kingston, NH 03827; Chairman, Board of Selectmen, PO Box 343, Greenville, NH 03048; Chairman, Board of Selectmen, PO Box 300, Milan, NH 03588-0300; Chairman, Board of Selectmen, 1189 Stark Highway, Stark, NH 03582; Chairman, Board of Selectmen, PO Box 110, Sullivan, NH 03445; Chairman, Board of Selectmen, 84 Chester Street, Chester, NH 03036; Chairman, Board of Selectmen, 4 Epping Street, Raymond, NH 03077; Chairman, Board

of Selectmen, PO Box 436, Bradford, NH 03221; Chairman, Board of Selectmen, 210 Main Street, Danville, NH 03819; Chairman, Board of Selectmen, PO Box 517, Antrim, NH 03440; Chairman, Board of Selectmen, 7 School Street, Unit #101, Bennington, NH 03442; Chairman, Board of Selectmen, PO Box 120, Fremont, NH 03044; Chairman, Board of Selectmen, 2975 Dartmouth College Highway, N. Haverhill, NH 03774; Chairman, Board of Selectmen, 7 Monument Square, Hollis, NH 03049; Chairman, Board of Selectmen, 6 Post Office Square, Plymouth, NH 03264; Chairman, Board of Selectmen, PO Box 119, West Stewartstown, NH 03597; Chairman, Board of Selectmen, PO Box 366, North Stratford, NH 03590; Chairman, Board of Selectmen, 20 Park Street, Gorham, NH 03581; Chairman, Board of Selectmen, 21 Summer Street, Northfield, NH 03276; Chairman, Board of Selectmen, 297 Mayhew Turnpike, Bridgewater, NH 03222; Chairman, Board of Selectmen, 1011 School St., Dunbarton, NH 03046; Chairman, Board of Selectmen, 125 Main Street, Suite 200, Littleton, NH 03561; and Chairman, Board of Selectmen, 7 Halfmoon Pond Road, Washington, NH 03280.

Dated: July 2, 2015

Anne M. Stelmach, Clerk